

Montana DNRC  
Forestry Division – Fire and Aviation Management Bureau  
Proposed 2015 Forest Fire Assessment Fee Increase  
Amending section 76-13-201

EXHIBIT 5  
DATE 3/30/2015  
SB 47

**Proposal:** Raise the per capita maximum fee from \$45 to \$50 for each landowner and the per acre fee from .25/ac. to .30/ac.

**Key points:**

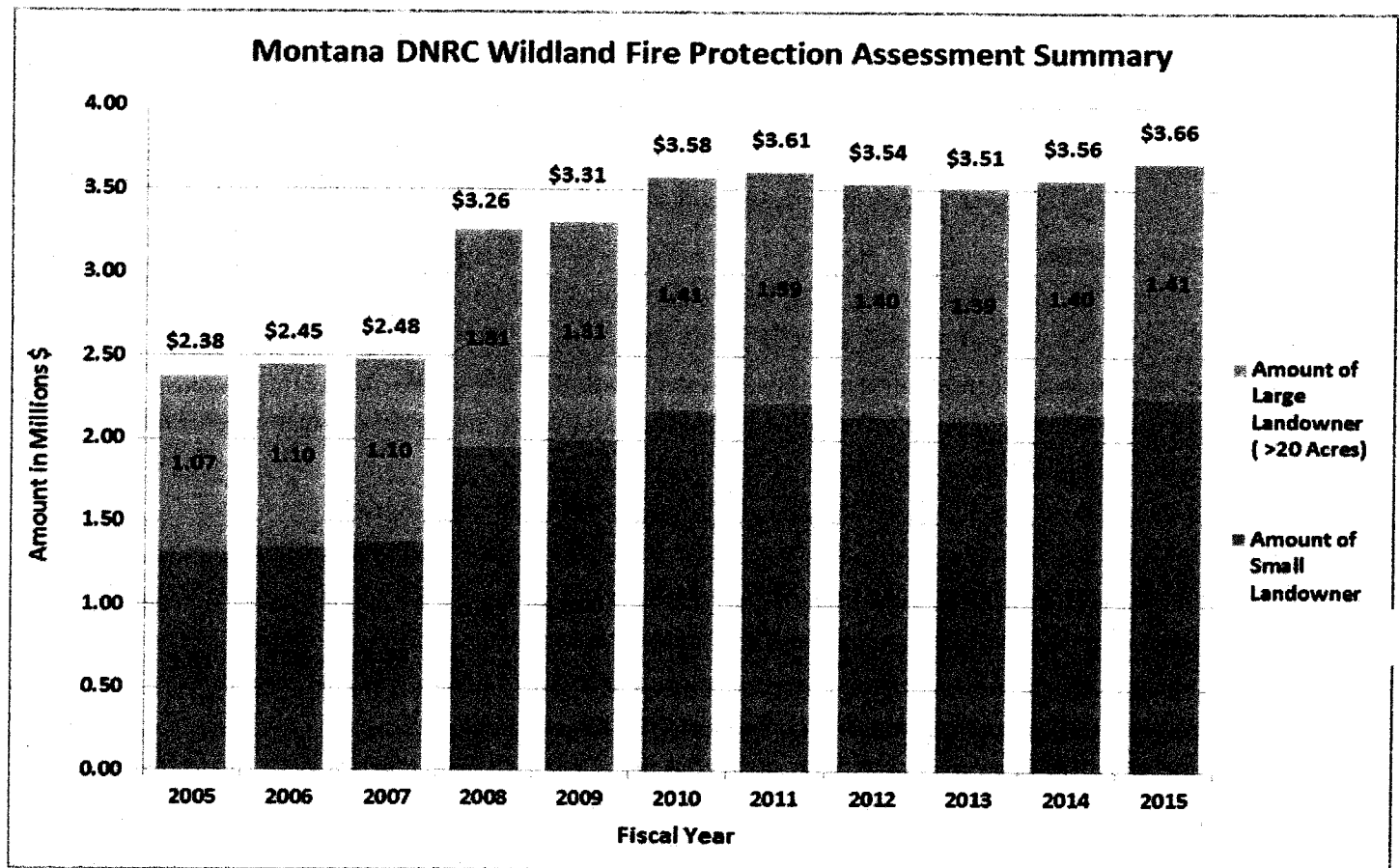
- In 2015, 64,601 land owners are paying the assessment fee: 52,262 small landowners will pay the base fee and 12,339 large landowners (>20 acres) will pay the base fee and an additional per acre fee.
- Approximately 5.1 million acres of forest lands are covered by fire assessments.
- Pursuant to 76-13-201 MCA, assessment limits are set at \$45/owner <20 acres, and \$0.25/acre for ownership greater than 20 acres.
  - Current fees (FY 15) are set at \$43.75 per parcel and \$.25/acre above 20 acres.
  - Current fees will generate \$3,660,839.00 per year.
- Proposed rates in this bill could generate an additional amount of \$574, 000.
  - *Actual rates would not move to the maximum immediately, but be driven by budget increases approved by the state legislature.*
  - *It has taken 7 years to reach the rates authorized by the 2007 legislature.*
- Current fee structure could only generate an additional \$80,000 before reaching legal limits.
- Current law (MCA 76-13-213) directs the department to fund no more than 1/3 of program budget from assessments, with 60% of the fees from small (<20 acres) landowners.
  - *Proposed FY16/17 budget sets the assessments at maximum of \$45/\$0.25, but is insufficient to generate 1/3 of total appropriation (71% GF/29% assessments).*
- Assessment rates fluctuate with each appropriated budget. Program level changes have occurred since 2005 to both increase and decrease assessment rates:
  - Increase funding for capital and operations costs (county engines)
  - Additional staff added following the 2008 Interim Fire Committee recommendations.
  - Compensation and benefits cost increases.
  - Reductions in FTE/budget due to budget cuts.

**Background/Issues:**

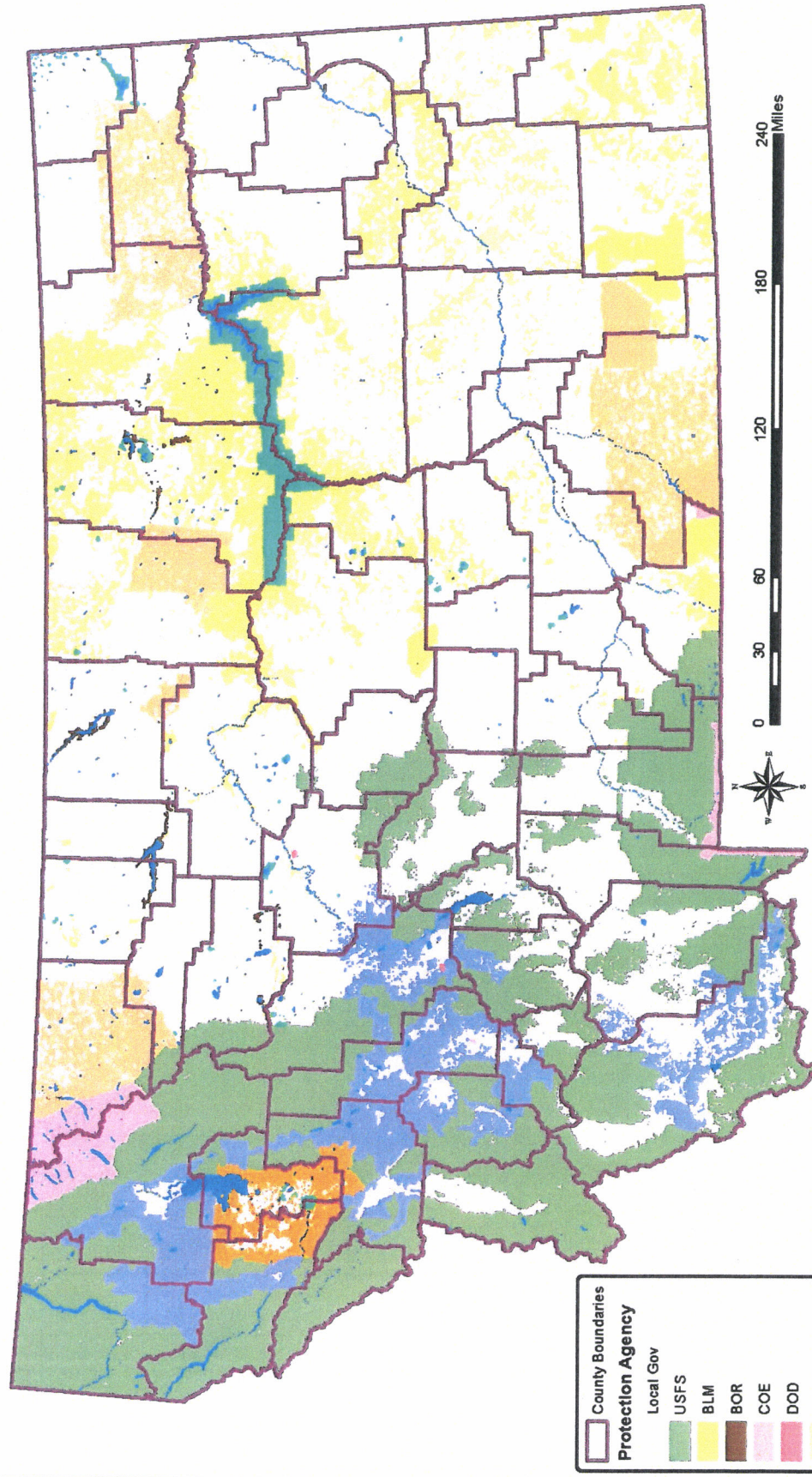
- Montana forest owners have been paying a minimum fee, per owner per year for wildland fire protection since the 1920s.
- This bill affects both small and large private forest landowners, primarily in western and west-central Montana. (see map)
- Private forest landowners and ag landowners in most of the eastern 2/3 of the state do not pay wildfire assessments to DNRC, although the fire program costs (and average fire suppression costs) for that part of the state are substantial.
- A 2003 study of alternative fire funding options, a legislative audit in 2004, and the Interim Fire Legislative Committee in 2008 all failed to identify a palatable alternative to the current assessment structure.
- Idaho forest landowners pay \$0.65/acre and a \$40 surcharge for parcels with structures.

**Alternatives:**

- Raise assessment limits with this legislation
- Increase general fund contribution to the DNRC wildland fire program
- Reduce DNRC firefighting staff and resources



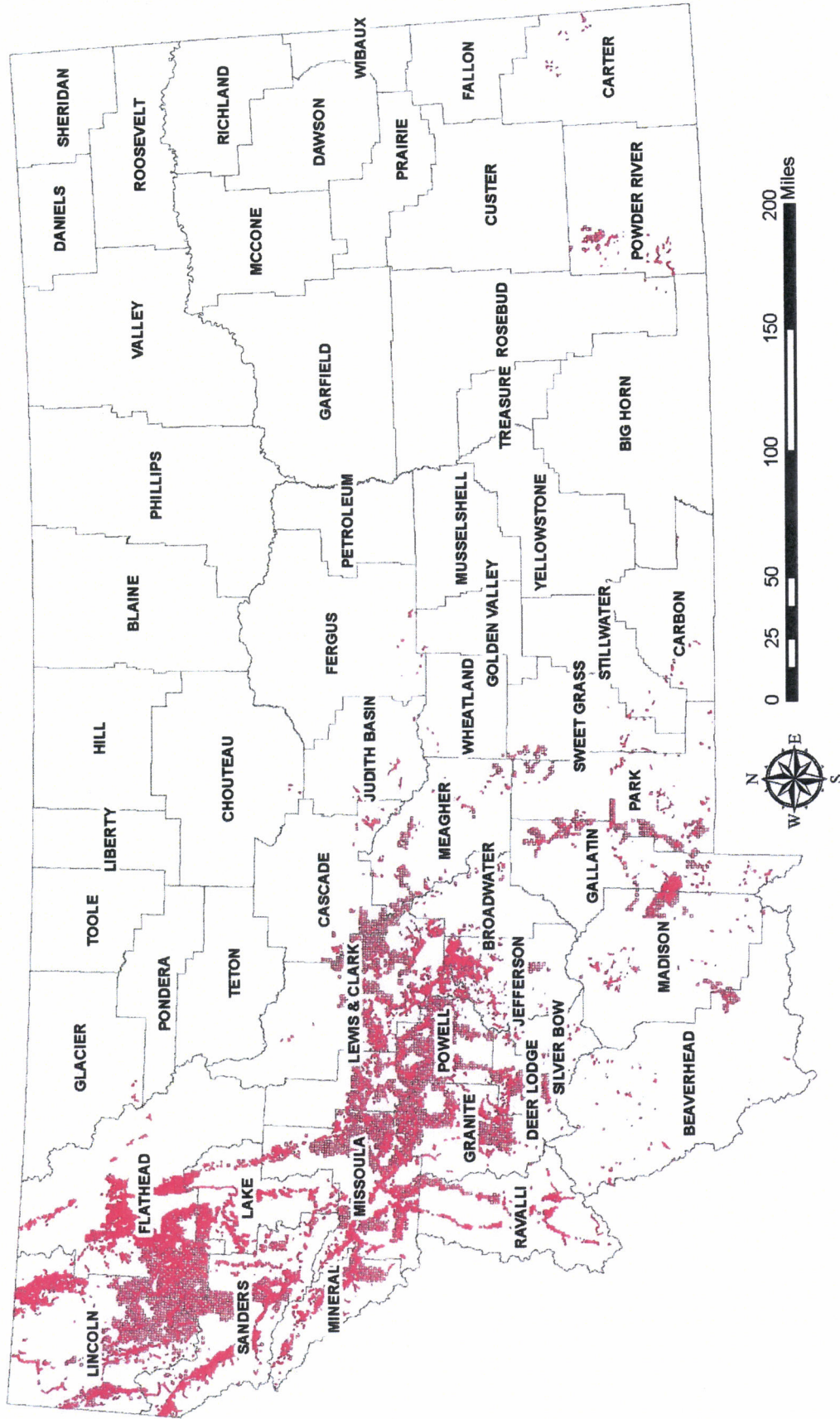
# Wildfire Protection Boundaries 2015



Map Produced March 20, 2015.



# Statewide Fire Protection Assessments 2015



Legend

MTCounty

Fire Protection Assessments



Map Produced March 20, 2015